
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 5.18.2010

Wall Street Journal: "How the 'Flash Crash' Echoed Black Monday ... Soon after the Black Monday crash of 1987, exchanges and regulators scrambled to enact new rules to prevent a repeat of the biggest stock market shock in 50 years. Even then, they worried they hadn't done enough."

Wall Street Journal: "Toxic CDOs Beset FDIC as Banks Fail ... The FDIC has inherited hundreds of potentially worthless bonds that have come back to haunt the Wall Street firms that sold them, the credit-rating firms that graded them and the hundreds of small banks that bought them."

Wall Street Journal: "Senators Seek Curbs on Foreign Bailouts ... The Senate approved Monday a measure that could make it harder to deploy U.S. funds in rescuing foreign governments, signaling Congress's unease with the sort of global economic aid recently given to Greece."

Wall Street Journal: "New York Fed Pushes Street on Repo Overhaul ... Officials at the Federal Reserve Bank of New York are pushing Wall Street firms to ramp up efforts to stabilize an important corner of the financial system called the repo market, where securities dealers attain trillions of dollars of short-term financing every day."

Wall Street Journal: "EU Governments Back Hedge-Fund Rules ... The European Union moved a step closer to new rules on hedge funds and private-equity firms on Tuesday, with most member states backing regulation and agreeing to begin talks on final legislation with the European Parliament."

Wall Street Journal: "New Credit Card Law Could Mean Big Savings on Interest for Consumers ... Under a new credit card law that took effect in February, each dollar paid above the minimum required on your plastic could save you about \$2 in interest, according to the Center for Responsible Lending."

Washington Post: "Spike seen in number of homeowners who lost federal mortgage aid ... Homeowners taking advantage of mortgage aid under a federal foreclosure-prevention plan are being dropped from the program at an increasing rate, potentially forcing more borrowers out of their homes as the program struggles to make an impact, according to Treasury data released Monday."

Washington Post: "Senate gets ready to act on financial regulations ... Democratic leaders gave notice late Monday that they intend to wind down the weeks-long debate over new financial regulations, even as lawmakers continued to churn through proposed changes to the massive bill."

Washington Post: "U.S., not states, should have lead role in consumer financial protection ... ON FINANCIAL regulatory reform, the Senate is finally wrestling with the legislative arcana that don't translate well into sound bites -- but do make a lot of difference to how the law will work. Case in point: the struggle over the extent to which a proposed consumer financial protection bureau can trump state law."

Washington Post: "Treasury bonds have their own risk factor: Changing rates ... People often ask me how they can go wrong buying U.S. Treasury bonds."

NY Times: "Senate Votes for a Clear Credit Score ... Anyone rejected for a credit card, car loan or department store charge account has most likely discovered a frustrating aspect of the government-mandated, free credit reports: the

glaring absence of the numerical credit score that lenders rely on to make their decisions."

NY Times: "Stall in Applications for Federal Mortgage Program ... A major effort by the Obama administration to keep homeowners out of foreclosure may be reaching its limits long before the crisis abates."

USA Today: "Credit card overhaul cuts bank fees by \$5B ... New credit card and overdraft restrictions will save U.S. consumers from being charged at least \$5 billion in fees this year alone at the largest U.S. retail banks and credit card companies, a USA TODAY analysis reveals."

USA Today: "Banks return to charging credit card, checking account fees ... Amid new limits on some of the industry's most profitable practices, banks are turning back to familiar money-making strategies: annual credit card fees, monthly checking account fees and product bundling."

USA Today: "Treasury: Chrysler has made \$1.9 billion repayment ... The Treasury Department said Monday it had received \$1.9 billion from Chrysler to settle a \$4 billion loan."

USA Today: "Our view on Wall Street: Time to put the brakes on high-frequency stock trades ... Although this month's "flash crash" on Wall Street has yet to be fully explained, the machine-driven market meltdown has cast an unflattering light on something called high-frequency trading."

USA Today: "Opposing view on Wall Street: Safe at any speed ... Some have recently condemned "high frequency" or "algorithmic" trading as an evil force that hurts investors."

The Hill: "Senators preparing for final Wall Street reform vote this week ... Senate Democrats are moving to vote as early as Wednesday on a sprawling Wall Street overhaul bill amid Republican and industry opposition."